

**TOWN OF ADDISON, TEXAS**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS AUTHORIZING AN INTERFUND LOAN IN AN AMOUNT NOT TO EXCEED \$700,000.00 FROM THE INFRASTRUCTURE INVESTMENT FUND TO THE AIRPORT FUND FOR THE PURCHASE OF AN AIRPORT RESCUE FIRE-FIGHTING APPARATUS, AUTHORIZING THE CITY MANAGER TO EXECUTE ANY DOCUMENTS NECESSARY TO COMPLTE THE INTERFUND LOAN; AND PROVIDING FOR AN EFFECTIVE DATE**

**WHEREAS**, the Town of Addison, Texas (“Town”) desires to the facilitate the purchase of an airport rescue fire-fighting apparatus (“ARFF”); and

**WHEREAS**, the Town has investigated and determined that it may purchase the ARFF through the Houston Galveston Area Cooperative (“HGAC”) in an amount not to exceed \$700,000.00; and

**WHEREAS**, the annual fund appropriated for this purchase in the Airport Fund is insufficient to cover the purchase of the ARFF; and

**WHEREAS**, the Town has investigated and determined that the Infrastructure Investment Fund does have sufficient funds to cover the purchase of the ARFF and in accordance with Section 2-176 (Revenues) of Division 2 (Financial Policies) of Article IV (Finance) of Chapter 2 (Administration) of the Town of Addison Code of Ordinances, the Infrastructure Investment Fund may be appropriated to support pay-as-you-go capital projects or significant non-routine capital expenditures of not less than \$500,000.00; and

**WHEREAS**, the Town has further investigated and determined that the acquisition and use of the ARFF is a significant non-routine capital expenditure of not less than \$500,000.00; and

**WHEREAS**, in order to the purchase of the ARFF, pursuant to the findings made herein, the City Council determines the Airport Fund, through an interfund loan, may borrow an amount not to exceed \$700,000.00 from the Infrastructure Investment Fund for the purchase of the ARFF (“Interfund Loan”); and

**WHEREAS**, the Airport Fund shall pay back the Infrastructure Investment Fund and pay-off the Interfund Loan in five (5) years, with interest.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:**

**Section 1.** The findings set forth above are incorporated herein for all purposes.

**Section 2.** The Airport Fund is hereby authorized to borrow from the Infrastructure Investment Fund an amount not to exceed \$700,000.00 for the purchase of an ARFF from the HGAC.

**Section 3.** The Airport Fund shall pay-off the Interfund Loan generally in accordance with the estimated payment schedule provided below no penalty for early repayment (subject to an adjustment based upon the actual interest earned):

	<b>Principal</b>	<b>Interest</b>	<b>Total payment</b>	<b>Balance</b>
<b>March 1, 2019</b>				<b>\$ 700,000.00</b>
<b>October 1, 2019</b>	85,000.00	11,229.17	96,229.17	615,000.00
<b>October 1, 2020</b>	85,000.00	16,912.50	101,912.50	530,000.00
<b>October 1, 2021</b>	176,666.67	14,575.00	191,241.67	353,333.33
<b>October 1, 2022</b>	176,666.67	9,716.67	186,383.34	176,666.66
<b>October 1, 2023</b>	176,666.66	4,858.33	181,524.99	

**Section 4.** The City Manager is hereby authorized to execute any documents deemed necessary to complete the Interfund Loan.

**PASSED AND APPROVED** by the City Council of the Town of Addison, Texas this the 22<sup>nd</sup> day of January 2019.

\_\_\_\_\_  
Joe Chow, Mayor

ATTEST:

By: \_\_\_\_\_  
Irma Parker, City Secretary

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Brenda N. McDonald, City Attorney